

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 1 be amended to read as follows:

- 1           Page 18, between lines 26 and 27, begin a new paragraph and insert:  
2           "SECTION 13. IC 6-1.1-12-43 IS ADDED TO THE INDIANA  
3           CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
4           UPON PASSAGE]: **Sec. 43. (a) As used in this section, "dwelling"**  
5           **has the meaning set forth in IC 6-1.1-20.9-1.**  
6           **(b) In addition to any other deduction that the person is**  
7           **entitled to take, each year a person who is entitled to receive the**  
8           **homestead credit provided under IC 6-1.1-20.9 for property taxes**  
9           **payable in the following year on real property containing a**  
10           **dwelling that was initially erected at least fifty (50) years before**  
11           **an assessment date to which the deduction applies is entitled to a**  
12           **historic property deduction from the assessed value of the real**  
13           **property that qualifies for the homestead credit. The county**  
14           **auditor of the county where the dwelling is located shall record**  
15           **and make the deduction for the person qualifying for the**  
16           **deduction.**  
17           **(c) The amount of the deduction is:**  
18           **(1) four thousand five hundred dollars (\$4,500) if the dwelling**  
19           **was initially erected at least fifty (50) years before an**  
20           **assessment date and not more than one hundred (100) years**  
21           **before the assessment date to which the deduction applies;**  
22           **and**  
23           **(2) nine thousand dollars (\$9,000) if the dwelling on the real**

property was initially erected more than one hundred (100) years before an assessment date to which the deduction applies.

(d) A person who sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section with respect to that real property."

Page 59, between lines 22 and 23, begin a new paragraph and insert:  
"SECTION 34. IC 6-1.1-21-3, AS AMENDED BY P.L.192-2002(ss), SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The department, with the assistance of the auditor of state and the department of local government finance, shall determine an amount equal to the eligible property tax replacement amount, which is the estimated property tax replacement.

(b) The department of local government finance shall certify to the department the amount of:

(1) property tax deduction replacement credits provided under IC 6-1.1-21.9 that are allowed by the county for the particular calendar year; and

(2) homestead credits provided under IC 6-1.1-20.9 which are allowed by the county for the particular calendar year.

(c) If there are one (1) or more taxing districts in the county that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter, the department of local government finance shall estimate an additional distribution for the county in the same report required under subsection (a). This additional distribution equals the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain all or part of an economic development district:

STEP ONE: Estimate that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of the estimated property tax replacement amount attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; times

(B) the taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

(d) The sum of the amounts determined under subsections (a) through (c) is the particular county's estimated distribution for the calendar year.

SECTION 35. IC 6-1.1-21-4, AS AMENDED BY P.L.245-2003,

SECTION 19, AND AS AMENDED BY P.L.264-2003, SECTION 12,  
IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
[EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Each year the department  
shall allocate from the property tax replacement fund an amount equal  
to the sum of:

(1) each county's total eligible property tax replacement amount  
for that year; plus

(2) the total amount of homestead tax credits that are provided  
under IC 6-1.1-20.9 and allowed by each county for that year;  
plus

(3) an amount for each county that has one (1) or more taxing  
districts that contain all or part of an economic development  
district that meets the requirements of section 5.5 of this chapter.  
This amount is the sum of the amounts determined under the  
following STEPS for all taxing districts in the county that contain  
all or part of an economic development district:

STEP ONE: Determine that part of the sum of the amounts  
under section 2(g)(1)(A) and 2(g)(2) of this chapter that is  
attributable to the taxing district.

STEP TWO: Divide:

(A) that part of the subdivision (1) amount that is attributable  
to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; times

(B) the taxes levied in the taxing district that are allocated to  
a special fund under IC 6-1.1-39-5; **plus**

**(4) the total amount of property tax deduction replacement  
credits that are provided under IC 6-1.1-21.9 and allowed by  
each county for that year.**

(b) Except as provided in subsection (e), between March 1 and  
August 31 of each year, the department shall distribute to each county  
treasurer from the property tax replacement fund one-half (1/2) of the  
estimated distribution for that year for the county. Between September  
1 and December 15 of that year, the department shall distribute to each  
county treasurer from the property tax replacement fund the remaining  
one-half (1/2) of each estimated distribution for that year. The amount  
of the distribution for each of these periods shall be according to a  
schedule determined by the property tax replacement fund board under  
section 10 of this chapter. The estimated distribution for each county  
may be adjusted from time to time by the department to reflect any  
changes in the total county tax levy upon which the estimated  
distribution is based.

(c) On or before December 31 of each year or as soon thereafter as  
possible, the department shall make a final determination of the amount

1 which should be distributed from the property tax replacement fund to  
 2 each county for that calendar year. This determination shall be known  
 3 as the final determination of distribution. The department shall distribute  
 4 to the county treasurer or receive back from the county treasurer any  
 5 deficit or excess, as the case may be, between the sum of the  
 6 distributions made for that calendar year based on the estimated  
 7 distribution and the final determination of distribution. The final  
 8 determination of distribution shall be based on the auditor's abstract filed  
 9 with the auditor of state, adjusted for postabstract adjustments included  
 10 in the December settlement sheet for the year, and such additional  
 11 information as the department may require.

12 (d) All distributions provided for in this section shall be made on  
 13 warrants issued by the auditor of state drawn on the treasurer of state.  
 14 If the amounts allocated by the department from the property tax  
 15 replacement fund exceed in the aggregate the balance of money in the  
 16 fund, then the amount of the deficiency shall be transferred from the  
 17 state general fund to the property tax replacement fund, and the auditor  
 18 of state shall issue a warrant to the treasurer of state ordering the  
 19 payment of that amount. However, any amount transferred under this  
 20 section from the general fund to the property tax replacement fund  
 21 shall, as soon as funds are available in the property tax replacement  
 22 fund, be retransferred from the property tax replacement fund to the  
 23 state general fund, and the auditor of state shall issue a warrant to the  
 24 treasurer of state ordering the replacement of that amount.

25 (e) Except as provided in subsection (i), the department shall not  
 26 distribute under subsection (b) and section 10 of this chapter the money  
 27 attributable to the county's property reassessment fund if:

28 (1) by the date the distribution is scheduled to be made, ~~(1)~~ the  
 29 county auditor has not sent a certified statement required to be  
 30 sent by that date under IC 6-1.1-17-1 to the department of local  
 31 government finance; ~~or~~

32 (2) *by the deadline under IC 36-2-9-20, the county auditor has not*  
 33 *transmitted data as required under that section; or*

34 ~~(2)~~ **(3) the county assessor has not forwarded to the department**  
 35 **of local government finance the duplicate copies of all**  
 36 *approved exemption applications required to be forwarded by that*  
 37 *date under IC 6-1.1-11-8(a).*

38 (f) Except as provided in subsection (i), if the elected township  
 39 assessors in the county, the elected township assessors and the county  
 40 assessor, or the county assessor has not transmitted to the department  
 41 of local government finance by October 1 of the year in which the  
 42 distribution is scheduled to be made the data for all townships in the  
 43 county required to be transmitted under IC 6-1.1-4-25(b), the state  
 44 board or the department shall not distribute under subsection (b) and  
 45 section 10 of this chapter a part of the money attributable to the

county's property reassessment fund. The portion not distributed is the amount that bears the same proportion to the total potential distribution as the number of townships in the county for which data was not transmitted by ~~August 1~~ *October 1* as described in this section bears to the total number of townships in the county.

(g) Money not distributed ~~under subsection (e)~~ *for the reasons stated in subsection (e)(1) and (e)(2)* shall be distributed to the county when:

(1) the county auditor sends to the department of local government finance the certified statement required to be sent under IC 6-1.1-17-1; and

(2) *the county assessor forwards to the department of local government finance the approved exemption applications required to be forwarded under IC 6-1.1-11-8(a);*

with respect to which the failure to send *or forward* resulted in the withholding of the distribution under subsection (e).

(h) Money not distributed under subsection (f) shall be distributed to the county when the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor transmits to the department of local government finance the data required to be transmitted under IC 6-1.1-4-25(b) with respect to which the failure to transmit resulted in the withholding of the distribution under subsection (f).

(i) The restrictions on distributions under subsections (e) and (f) do not apply if the department of local government finance determines that:

(1) the failure of:

(A) a county auditor to send a certified statement; or

(B) *a county assessor to forward copies of all approved exemption applications;*

as described in subsection (e); or

(2) the failure of an official to transmit data as described in subsection (f);

is justified by unusual circumstances."

Page 60, between lines 26 and 27, begin a new paragraph and insert:  
"SECTION 37. IC 6-1.1-21.9 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 21.9. Property Tax Deduction Replacement Credits**

**Sec. 1. This chapter applies to the following:**

(1) A property tax deduction increment.

(2) A qualified property tax deduction.

**Sec. 2.(a) This section applies only to a property tax deduction available under this article that is:**

(1) in effect on November 1, 2003; and

(2) increased in value by the general assembly after November 18, 2003, and before January 1, 2004.

1       (b) As used in this chapter, "property tax deduction increment"  
2 means"

3       (1) the value of a property tax deduction available under this  
4 article (as in effect after October 31, 2003); minus

5       (2) the value of the property tax deduction described in  
6 subdivision (1) before November 1, 2003.

7       Sec. 3. The definitions set forth in IC 6-1.1-21 apply throughout  
8 this chapter.

9       Sec. 4. As used in this chapter, "county property tax deduction  
10 replacement amount" means the sum of a particular county's  
11 taxpayer property tax deduction replacement credits.

12       Sec. 5. As used in this chapter, "qualified property tax  
13 deduction" means a property tax deduction enacted by the general  
14 assembly after November 1, 2003, and before January 1, 2004.

15       Sec. 6. As used in this chapter, "taxpayer's property tax  
16 deduction replacement credit" means the amount determined in  
17 the last of the following STEPS:

18       STEP ONE: Determine the sum of a particular taxpayer's  
19 property tax deduction increments.

20       STEP TWO: Determine the sum of the taxpayer's qualified  
21 property tax deductions.

22       STEP THREE: Determine the sum of the STEP ONE and STEP  
23 TWO results.

24       STEP FOUR: Multiply the STEP THREE result by the total  
25 net tax rate applicable in the taxpayer's taxing district.

26       Sec. 7. (a) The department, with the assistance of the auditor  
27 of state and the department of local government finance, shall  
28 determine for each county an amount equal to the county  
29 property tax deduction replacement amount.

30       Sec. 8. For purposes of calculating tax rates, the county auditor  
31 shall add the sum of each county taxpayer's:

32       (1) property tax deduction increments; and

33       (2) qualified property tax deductions;

34 to the county's net assessed value.

35       Sec. 9. For purposes of calculating a particular taxpayer's tax  
36 bill, the county treasurer shall add the sum of the taxpayer's:

37       (1) property tax deduction increments; and

38       (2) qualified property tax deductions;

39 to the taxpayer's net assessed value.

40       Sec. 10. (a) Each year the taxpayers of each county shall  
41 receive a credit for property tax deduction replacement in the  
42 amount of each taxpayer's property tax deduction replacement  
43 credit amount for taxes which under IC 6-1.1-22-9 are due and

1 payable in May and November of that year. The credit shall be  
2 applied to each installment of taxes. The dollar amount of the  
3 credit for each taxpayer shall be determined by the county  
4 auditor, based on data furnished by the department of local  
5 government finance."

6 Page 122, between lines 3 and 4, begin a new paragraph and insert:

7 "SECTION 86. [EFFECTIVE UPON PASSAGE] IC 6-1.1-12-43,  
8 as added by this act, applies only to property taxes imposed for an  
9 assessment date after February 28, 2003, and first due and  
10 payable after December 31, 2003.

11 SECTION 87. [EFFECTIVE UPON PASSAGE] (a) IC 6-1.1-21-3  
12 and IC 6-1.1-21-4, each as amended by this act, apply only to  
13 property taxes first due and payable after December 31, 2003.

14 (b) IC 6-1.1-21.9, as added by this act, applies only to property  
15 taxes first due and payable after December 31, 2003."

16 Renumber all SECTIONS consecutively.

(Reference is to ESB 1 printed December 2, 2003.)

---

Representative Budak